

**MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE COUNTY OF CAMPBELL, VIRGINIA**

May 28, 2009

The regular meeting of the Board of Directors of the Industrial Development Authority of Campbell County, Virginia, was held in the Board level conference room of the Haberer Building, Rustburg, Virginia, on May 28th, 2009.

The Directors present were:

George Rosser, Chairman
K. William Kirk
Lewis Robertson
D. Vance Driskill
Malcolm Morris
Geraldine Pettigrew
Larry Dalton

The Directors absent were:

None

Also Present:

J. Michael Davidson, Economic Development Director and Assistant Secretary-Treasurer
Amy R. Allen, IDA Staff Support

// Mr. Vance Driskill called the meeting to order at 7:33pm.

Mr. Driskill asked Mr. Davidson to introduce the new member. Mr. Larry Dalton is from the Brookneal election district. Mr. Dalton is the plant manager of the Dan River property. Mr. Dalton currently lives in Gladys and has been a life long resident of Campbell County. Mr. Driskill invited Mr. Dalton to ask any questions he might have as they come up and feel free to learn and take part in the authority.

// Mr. Driskill then asked the members present if they had any corrections or additions to the meeting minutes from the March 19th meeting. No corrections or additions were given. A motion to approve the March 19th meeting minutes was made by Mr. Morris and seconded by Mr. Kirk and duly adopted by unanimous vote of the members present.

// Mr. Driskill then turned the meeting over to Mr. Davidson, Economic Development Director.

Matters from Economic Development Director

// Mr. Davidson reviewed financial information for the IDA. The revised Balance Statement (attached, as amended) was provided for the IDA members and the members were asked if there were any questions. Mr. Davidson explained that he is waiting on written confirmation from the Tobacco Commission on the sale of the Brookneal Broadband equipment. Mr. Frank Wright, Jr. attorney for the IDA has expressed that he believes it will be okay to sell the equipment with the verbal authorization from the Tobacco Commission. Mr. Davidson will work with Mr. Wright the week of June 6th to prepare a contract for this sale. Mr. Driskill noted that on the balance sheet the Brookneal Broadband equipment should still be listed as a fixed asset at \$1,000; this would be corrected in the balance statement. The IDA

Insurance with Virginia Municipal League (VML) went up \$11 this year, for a total payment of \$1,016. Mr. Davidson explained that the coverage did not change it is just the value of being in a governmental municipal pool that did not have losses as compared to other insurance companies is the reason the figure did not go up drastically. Following up on the research on CD's for investment, Mr. Davidson has acquired paperwork from First National Bank of Altavista to have the executive committee sign. Once this paperwork has been signed and returned, \$100,000 will be moved into a CD with a rate of 1.75%. The business money market account (the collateral account), while this is a checking account, it is also a money market account which is currently gaining some interest. There are a couple of things that must occur before the account can be closed, however if it is still the wish of the IDA, that account can be closed. The money in that account can be moved into a CD. Currently, the bank is still drafting-transferring money from the operating account into the collateral account, just like they had been doing when the IDA was making the payment on the Banker Steel building. Mr. Davidson is currently working with the bank to stop this transaction. This transaction is not costing us anything; it is just moving the money from one account to another. As soon as that automatic draft is stopped the collateral account funds can be moved into a CD. Mr. Driskill stated that he feels that the IDA does not need a lot of cash on hand and therefore the excess money should be moved into a CD. After considerable discussion, the members decided to leave \$10,000 in the IDA account and \$7,000 in the Operating account. The remaining funds are to be transferred into a CD with First National Bank of Altavista.

// Mr. Davidson went over the following project updates for the members:

Industrial Prospect Activity/ Marketing - Prospect activity continues to be slow.

New River Packaging - We delivered the second installment of the Industrial Incentive grant (\$7,667).

Evington Iron Works - We delivered the first installment of the Industrial Incentive grant (\$2,350).

Airport East - Springhill Suites is now open. We have not received any information on a date for a grand opening but will advise when we hear. The resident's complaints on the east side of the rail road are settling down. We still get a few calls.

Seneca Commerce Park - The Rt. 29 phase II sewer study is finished. We need to begin the design work process for the force main sewer to Yellow Branch which is Wiley & Wilson's recommendation. This project is a #2 Board priority & initiative. We had tentatively made plans to use Tobacco grant funding to accomplish this project. The Town of Brookneal applied for a Tobacco Grant to upgrade their sewer system. We need to move forward with the design plans and apply for a second round Tobacco grant this fall to utilize what funds are available. We'll separate the project out into three phases and accomplish as much as we can with available funds. The phase will consist of building the pump station, installing forced main sewer lines and installing gravity sewer line. Wiley & Wilson delayed the bid date to 4-29-09 for the storm pond restoration. All bids came in over \$100,000. Wiley & Wilson is revising the bid specs with concurrence of Army Corp and DEQ. The new specs will go out to the lowest three bidders for a new bid.

Tourism - We are working with the region tourism group on a Familiarization Tour for 25 workers from the states visitor centers. The tour is scheduled for May 19, 20, & 21. On May 19 we will take the visitors to Avoca and San Soucy Vineyards & Winery. We are scheduled to be at Avoca at 3:45 pm. The Virginia Fishing Trail announcement occurred Sunday, May 3, 2009 during the Bass Masters Tournament at Smith Mountain Lake. We will be doing a regional tourism passport program called Give Me Five. We will submit a third application to the Virginia Tourism Corporation for marketing funds in the amount of \$10,000. The state funds are planned to be used for marketing/advertising. If we are not successful in obtaining a state grant we will move forward with the project and market it using the existing web sites and word of mouth advertising from the attractions.

Beef Initiative Phase II - We are working to try and find producers to utilize all of the grants funds. Project should wrap up in August and final paperwork work close out should be complete by October.

Agriculture - I toured Lynchburg Grows recently. Lynchburg Grows is a very large greenhouse operation near city stadium. The visit was set up to discuss how this facility could partner with Campbell County

farmers and explore what potential exist to work with Lynchburg grows to help their program and provide opportunities to Campbell farmers. I am going to evaluate this over the next several months and work with Extension Services to see if it is something they will get involved with.

Unemployment - The 2009 March unemployment rate for Campbell County is 7.8% up from 7.5% in February. VEC tracking shows 2,223 unemployed persons in Campbell County in March 2009. The March 2009 state unemployment rate is 7.0% and the federal rate is 9%.

// Mr. Davidson next went over a project that the IDA had participated in over the last few years. This project started out of the Lynchburg Economic Development office with a focus on workforce education. This program, called Grow One, is aimed at teaching middle school aged children about entrepreneurship; in order to grow our young people in this field. The program is a one week summer camp at Lynchburg College, comprised of selected students from the area middle schools. The training is age appropriate focusing on entrepreneurship, economic, social, political and ethical concepts and skills. The goal is to expose the children to real world experiences, co-operation, marshalling creative and analytical resources, practice setting and achieving goals, and enhance a sense of empowerment and self-sufficiency. Again, at age appropriate levels, the children will experience international trade and exchange rates, learn and practice leadership skills. All of those things will be rolled into one training session, while still having a little fun in the process. Region 2000 is one of the contributors and the IDA has contributed funds the last few years. Typically one child from each middle school in Campbell County is allocated to attend. The cost last year and this year per child is \$1,400. Last year the IDA contributed \$2,800 which paid for 2 students to attend the camp. Mr. Davidson is recommending funding 2 children again this year, at \$1,400 each for a total of \$2,800. The money would go through United Way, which is acting as the fiscal agent for the program. Mr. Driskill made a motion to pay \$1,400 per student for 2 students. Mr. Kirk seconded the motion. All members voted to approve this motion.

// Mr. Davidson next discussed the need for the IDA to discuss electing new Officers which comprise the executive committee. The IDA By-laws state that elections are held in July. The IDA decided six or more years ago to limit the terms of executive committee members to two years each and then rotate to another member. Mr. Driskill, as the current Secretary-treasurer, recommended to the other members to step up and take the positions, because it was good experience. Mr. Driskill also commented that he feels that the entire IDA works well together as a team, therefore the executive committee members can make decisions with the other members backing. Mr. Morris stated that he would prefer not to serve, since he travels throughout the year. Mr. Kirk offered to serve in any capacity that anyone would vacate, as the members see fit. Mr. Kirk asked for a description of the jobs that need to be filled. Mr. Davidson stated that he did not have a current copy of the by-laws with him. He stated that the support staff would get a copy of those by-laws out to each of the members in the coming week. Mr. Davidson did state that there are three positions on the executive committee: Chairman, Vice-Chairman and Secretary-Treasurer. The Chairman is the chief executive officer and chairs the meetings, the Vice-Chairman acts in the absence of the Chairman and the Secretary-Treasurer oversees the monthly reconciliations and signs the checks. The legal responsibilities are similar to any other board's executive committee and the IDA members are insured. The members will elect officers at the July 23rd, 2009 meeting.

Mr. Davidson presented no other items for discussion.

Matters from the Chairman

// Chairman Rosser had nothing to discuss with the members.

Matters from IDA Members

// Mr. Larry Dalton gave the members an update on the Dan River property situation. The environmental permits are running out. Those permits were being used as a selling feature and now that they are running out the price for the facility has been reduced. The price was originally \$6 million dollars and is now down to \$4 million dollars.

Following general discussion of the aforementioned matters and with no other business presented for consideration, upon a motion by Mr. Driskill, and duly adopted by unanimous vote, the Campbell County Industrial Development Authority adjourned at 8:43 pm.

George Rosser, Chairman

Vance Driskill, Secretary-Treasurer